



Control Number: 51812



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March 4, 2021

Chairman Arthur C. D'Andrea
Commissioner Shelly Botkin
Public Utility Commission of Texas
1701 N. Congress Avenue
Austin, Texas 78701

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RE: Docket 51812 – Issues Relating to the State of Disaster for the February 2021 Winter Weather Event – **Comments Supporting IMM Request for Real-Time Price Correction**

Chairman D'Andrea and Commissioner Botkin:

On March 4, 2021, Potomac Economics, the Independent Market Monitor (“IMM”) for the Public Utility Commission of Texas (“PUCT”), submitted a filing recommending that the PUCT take immediate action to ensure that real-time prices not reflect the price of lost load when the system is not in shortage and load is being served. As noted by the IMM, the PUCT acknowledged this in its February 15, 2021 Order, expressly stating it is only ERCOT's out-of-market shedding firm load that is required to be reflected in prices. Additionally, as also noted by the IMM, ERCOT recalled the last of the firm load shed instructions at 23:55 on February 17, 2021 and therefore, in order to comply with the PUCT Order, the pricing intervention that raised prices to the price of lost load should have ended immediately. However, ERCOT continued to hold prices at the price of lost load by inflating the Real-Time On-Line Reliability Deployment Price Adder for an additional 32 hours through the morning of February 19. This decision resulted in \$16 billion in additional costs to ERCOT's market. These additional costs are causing unwarranted catastrophic harm to the Texas energy market.

Therefore, the Coalition of Competitive Retailers respectfully request that the Commission immediately order ERCOT to correct the real-time prices from 0:00 February 18, 2021, to 09:00 February 19, 2021, to remove the inappropriate pricing intervention that occurred during that time period. This can be achieved by removing most, if not all, of the Real-Time On-Line Reliability Deployment Price Adder during these intervals, which will substantially eliminate the Real-Time Ancillary Service Imbalance Charge.

As noted by the IMM, this recommendation will not result any revenue shortfalls for ERCOT's generation as the corrected prices will cover the generator's as-offered costs, and efficiently reflect the actual supply, demand, and reserves during this period. This order is necessary given that the prices are inconsistent with ERCOT's protocols and the Commission Order and that allowing them to remain will result in substantial and unjustified economic harm,

Thank you for your consideration.

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Sincerely,

Stephen Gibelli
Liberty Power

Sharon Litke
Penstar Power

Rob Cantrell
Pulse Power

Neil Leibman
Summer Energy

David Santucci
Volt Electricity Provider LP

Amik Khan
Chariot Energy